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SUMMARY

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France

A SYSTEM OF PLANNING IN DEVELOPMENT COUNTRIES

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A SYSTEM OF PLANNING IN DEVELOPMENT COUNTRIES

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The crucial problem facing a development country is that of creating, often from scratch, an entirely new apparatus of production capable of setting in motion a process of economic and social growth.

The specific nature of the problem to be solved imposes certain special features on the planning methods to be adopted in these countries:

1. The plan must be an overall one, for the same reason as it must be in an industrialized country, and must have overall control of the factors which determine growth. More than in a developed country, however, it must take into account the socialogical and political factors which have an important bearing on any new activity of an economic and social nature.

2. The plan must be built up by repetition, on the basis of overall patterns of growth which have gradually become more feasible by detailed analyses defining the concrete possibilities of, and limitations to, development in the various spheres of activity.

The coherence of the model and the proposed objectives is here not so much dependent on the maximization of increased value or of income per capita over a period of five years, as it is on the ability of the production mechanism once set up to maintain over the first five years, and subsequently to increase, the growth process. This could be ensured in a relatively simple way if one were in a position to compare the productivity of whole investment groups over a period of seven to ten years; for example a comparison could be made between the value achieved by an investment of 25 or 50 milliards* of francs in a factory responsible for the spinning, weaving and making-up of textiles, and that produced by the same capital sum devoted to launching, over a period of several years, a seried of related undertakings: motor-car assem-

*(1 milliard = 1 thousand million)

bly, foundry and machine-finishing of cylinder blocks, a tyre factory, and a battery and gear factory. It would become possible to make a firm calculation, on a five-year basis, of the benefit accruing from these associated groups of investment, in terms of increased value and employment. The techniques of linear programming could then be utilized.

The present dearth of experiments and detailed studies relating to industrial pioneering in development countries involves recourse to more empirical methods in order to ensure that the apparatus of production which will emerge at the end of the planning period will subsequently be in a position to sustain growth.

The simplest method consists in extending the scope of the initial plan to include a ten-year one. Through this arrangement it would be possible to ascertain whether sufficiently wide development margins exist in enough sectors for the slowing-down activity in some of them to be more than compensated by an increase elsewhere in the rate of expansion. In this way it is possible to ascertain whether the progress made during the first five-year period is likely to be maintained, and to increase in years to come.

3. Properly integrated, the growth aims will prove to be feasible only in so far as they take into account the basic conditions (whether economic, technical, social, political, or even religious) under which they must be carried out.

Planning cannot be the exclusive concern of technical experts working by theory alone. It must be the collective result of an association between the various political, professional and trade-union leaders concerned. Planning boards have a particular duty to bring about in the various spheres an awareness and understanding of national development problems, and an acceptance of the necessity for all to make certain sacrifices so that economic growth can be effectively ensured.

In the final analysis, planning must help to create a national will to progress, in the absence of which the most efficient plan will be quite meaningless and ineffectual.

In actual fact, development goes far beyond the limits of mere economic growth. It must primarily create the material, social and spiritual conditions which will permit the human being to flourish within an integrated national community. It is therefore essential that every individual member of it be closely associated with the tasks called for by such a development.

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